



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
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<http://ceo.lacounty.gov>

November 29, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**DEPARTMENT OF PUBLIC WORKS:
HUBERT H. HUMPHREY URGENT CARE EXPANSION PROJECT
ADOPT MITIGATED NEGATIVE DECLARATION
AWARD DESIGN-BUILD CONSTRUCTION CONTRACT
APPROVE LOCAL WORKER HIRING PROGRAM
SPECS. 7074; CAPITAL PROJECT NO. 87092
(SECOND DISTRICT) (3 VOTES)**

SUBJECT

The recommended action will adopt the Mitigated Negative Declaration and authorize the Department of Public Works to execute a design-build contract and approve related actions for the construction of the Hubert H. Humphrey Urgent Care Expansion Project.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Consider the Mitigated Negative Declaration for the Hubert H. Humphrey Urgent Care Expansion Project with any comments received during the public review process; find that the Mitigated Negative Declaration reflects the independent judgment and analysis of your Board; adopt the Mitigation Monitoring and Reporting Program; find that the Mitigation Monitoring and Reporting Program is adequately designed to ensure compliance with the mitigation measures during Project implementation; find on the basis of the whole record before your Board that there is no substantial evidence that the Project will have a significant effect on the environment; and adopt the Mitigated Negative Declaration.

"To Enrich Lives Through Effective And Caring Service"

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2. Find that J.R. Abbott Construction Inc., is the most advantageous and best value proposer; award a design-build contract to J.R. Abbott Construction Inc., for the contract sum of \$3,721,779 and the maximum contract sum of \$3,971,779 (inclusive of the design-completion allowance of \$250,000); and authorize the Director of Public Works to execute the contract, upon receipt of acceptable and approved Faithful Performance and Payment of Labor and Materials Bonds and insurance certificates filed by the design-builder, and establish the contract effective date for the Hubert H. Humphrey Urgent Care Expansion Project.
3. Authorize the Director of Public Works, in coordination with the Chief Executive Officer, to control the use of the design-completion allowance of \$250,000, including the authority to reallocate any portion or all of the allowance into the contract sum.
4. Approve the implementation of a Local Worker Hiring Program for the Hubert H. Humphrey Urgent Care Expansion Project, and find that the program furthers a legitimate governmental interest for the reasons stated in this letter and in the project files.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will adopt the Mitigated Negative Declaration (MND), award the design-build contract of the Hubert H. Humphrey Urgent Care Expansion (Urgent Care Expansion) Project, authorize the Director of Public Works to execute the contract, and approve a Local Worker Hiring Program (LWHP).

Background

The Hubert H. Humphrey Comprehensive Health Center is an existing 143,000-square-foot building constructed in 1976. The facility operates as a satellite clinic within the Harbor-UCLA Metro Care service area to deliver health care to the local community.

On July 8, 2008, your Board approved the General Improvement Project (Capital Project No. 86949), which included upgrades to the existing 1st Floor entry and lobby, 2nd Floor waiting area, cafeteria, exterior facade, and exterior lighting; and Americans with Disabilities Act improvements to all restrooms, parking areas, and sidewalks. The work was substantially completed in November 2010.

On September 7, 2010, your Board authorized establishment of Capital Project No. 87092 for the Urgent Care Expansion Project, and authorized the Director of Public Works to execute an architectural/engineering agreement with Morris Architects.

The proposed Urgent Care Expansion Project includes a 2,000-square-foot expansion of the urgent care center waiting room; remodeling 6,000 square feet of the urgent care area by enhancing the existing exam room spaces to improve patient flow, and adding seven new exam rooms and phlebotomy stations; replacing a chiller; upgrading the existing security office; adding a main fire alarm panel in the existing security office; and adding a one-level parking deck to provide additional parking.

During the mechanical engineer's review of the facility's cooling towers, it was determined that the existing cooling towers had deteriorated beyond repair. Replacement of the cooling towers was subsequently added to the original scope. Replacement of both the chiller and cooling towers was performed using a Job Order Contract (JOC). The system commissioning was completed in August 2011.

Award Design-Build Contract/Design-Completion Allowance

On December 6, 2010, the Department of Public Works (Public Works) issued a Request for Proposals (RFP) for design-build services for the Project. A total of three firms submitted prequalification questionnaires in response to the RFP, and all three firms were determined to be prequalified and invited to participate in the second part of the RFP for submission of technical and cost proposals. Based on the criteria stated in the RFP, J.R. Abbott Construction, Inc. (Abbott) submitted the most advantageous and best value proposal for design and construction of the Urgent Care Expansion Project.

Abbott's cost proposal of \$5,046,204 was \$1,156,204 more than the Board-approved, design-build contract budget of \$3,890,000. The proposal consisted of two components, including the Urgent Care Expansion Project and the parking structure. Public Works negotiated an alternate solution for the parking structure consisting of restriping the existing parking lot to provide the 50 additional parking stalls that were planned in the proposed parking structure.

The negotiations resulted in a \$81,779 increase from \$3,890,000 to \$3,971,779, in the design-build recommended maximum contract sum (including a design-completion allowance of \$250,000). Although there is an increase in the construction costs, there will be no impact on the overall Capital Project Budget as the additional funds will be shifted from the change order contingency funds to cover the difference.

In addition, funds have been reallocated from the change orders contingency and Telecom Equipment to the JOC category to cover the added cost of the cooling tower replacement.

The design-completion allowance of \$250,000 is intended to facilitate the resolution of issues identified only during the design phase of the Urgent Care Expansion Project, including issues concerning the County's scoping documents or changes required by jurisdictional agencies or due to unforeseen conditions discovered during design, including any increased design and construction costs associated therewith. The inclusion of the design-completion allowance will facilitate the decision process during design and minimize potential delays that could occur while design phase issues are resolved. Control of the design-completion allowance will be exercised by Public Works, but Public Works will obtain written authorization from the Chief Executive Office before any reallocation of funds from the design-completion allowance into the contract sum. The design-completion allowance shall not be used to fund the resolution of issues, conditions, or changes encountered during the construction phase.

It is recommended that Abbott be awarded a design-build agreement to complete the design and construction of the Urgent Care Expansion Project.

Local Worker Hiring Program

On December 8, 2009, your Board approved a program to employ local workers on JOC projects managed by Public Works. On October 19, 2010, your Board also approved a LWHP for the Martin Luther King, Jr. (MLK) Inpatient Tower and Multi-Service Ambulatory Care Center Projects.

The proposed Urgent Care Expansion Project is approximately four miles from MLK. The Project site is located in zip code 90003, which is identified in the Factual Predicate Study for the MLK LWHP as having a rate of unemployment in excess of 150 percent of the County average, as well as other socio-economic factors that were used to justify the MLK LWHP. A review of the data from the MLK Factual Predicate Study confirmed that the same rationale applicable to the mandatory LWHP for the MLK project would fully apply to the Urgent Care Expansion Project and the 5-mile radius surrounding it (Attachment D).

Therefore, Public Works recommends implementing a similar program that would require the contractor to assure that a minimum of 30 percent of the labor hours performed by California residents be worked by qualified local residents residing in either zip codes within a 5-mile radius of the Project site, or within zip codes within the County where the unemployment rate is 150 percent of the County average, or that include a Bank Enterprise Award area (commonly referred to as a "BEA"). However, because of the relatively small nature of the Urgent Care Expansion Project, it is not proposed that a disadvantaged worker requirement be included as an additional component of the LWHP for this Project.

Green Building/Sustainable Design Policy

In accordance with your Board's Green Building/Sustainable Design Policy, Public Works incorporated sustainable design features as part of the Urgent Care Expansion Project to the greatest extent feasible. The Urgent Care Expansion Project design will reduce water consumption, address stormwater run-off, and allow building operators to make adjustments in building systems for thermal comfort and lighting needs.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Children, Family, and Adult Well-Being (Goal 2); Community and Municipal Services (Goal 3); and Health and Mental Health (Goal 4), by investing in public health infrastructure to enhance the safety of the patients and staff and by increasing job opportunities for high-risk youth, adults, and low to moderate-income residents.

FISCAL IMPACT/FINANCING

The total cost of the Urgent Care Expansion Project, including the preparation of scoping documents, plans and specifications, plan check, design and construction, design-completion allowance, change orders, civic art allocation, consultant services, miscellaneous expenditures, and County services, is estimated at \$7,836,000.

Sufficient appropriation is available in the Fiscal Year 2011-12 in Capital Project No. 87092 to complete design and construction of the Urgent Care Expansion Project.

The proposed Urgent Care Expansion Project is funded with net County cost from the Second Supervisorial District and prior year fund balance.

The Project Schedule and Budget Summary are included in Attachment A.

Operating Budget Impact

The proposed Urgent Care Expansion Project will have no ongoing impact to Hubert H. Humphrey Comprehensive Health Center's operating budget. However, there is a one-time equipment cost of approximately \$161,000, and funding for the equipment will be requested in a future fiscal year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On June 17, 2008, your Board approved the use of design-build contracting as an option to the traditional design-bid-build project delivery method of construction. It was determined that design-build is a more efficient and appropriate project delivery method for these projects.

The design-build construction contract will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open competitive basis and is in accordance with applicable Federal, State, and County requirements.

Pursuant to your Board's Civic Art Policy adopted on December 7, 2004, as amended on November 18, 2008, the Project budget allocates 1 percent of the design and construction costs to the Civic Art Fund.

This contract contains terms and conditions supporting your Board's ordinances, policies, and programs, including, but not limited to: County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs, Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; and the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board-directed clauses that provide for contract termination or renegotiation.

ENVIRONMENTAL DOCUMENTATION

An Initial Study was prepared for this Urgent Care Expansion Project in compliance with the California Environmental Quality Act (CEQA). The Initial Study identified potentially significant effects of the project in the following areas: cultural resources, geology and soils, transportation/traffic, hazards and hazardous materials, and noise. However, prior to the release of the proposed MND and Initial Study for public review, revisions to the Urgent Care Expansion Project were made or agreed to that would avoid or mitigate the effects to a point where clearly no significant effects would occur, as follows:

- Cultural Resources: Any archaeological materials, paleontological materials, and human remains discovered during construction will be protected during periods of

planned ground disturbances; paleontological excavations below 10 feet will be monitored.

- Geology and Soils: Geotechnical recommendations by the soils engineer of record will be followed.
- Transportation/Traffic: Interim parking during construction will be provided.
- Hazards and Hazardous Materials: Final plans will be provided to Exxon Mobile Corporation West Coast/Rockies Pipeline Department for review, a minimum of 48 hours advance notice will be given prior to construction, and a soil management plan for inadvertent discovery of contaminated soils will be followed.
- Noise: Noise control and noise monitoring plans will be prepared and implemented during construction contractor to mitigate noise impacts.

The Initial Study and Project revisions determined that there is no substantial evidence, in light of the whole record before the County, that the Urgent Care Expansion Project as revised may have a significant effect on the environment. Based on the Initial Study and Project revisions, an MND was prepared for this Project. A copy of the MND is provided in Attachment C.

Public Notice was posted onsite, as well as offsite pursuant to the requirements of Section 21092.3 of the State CEQA Guidelines. During the public review period, no responses or comments were received from the members of the public. Two comment letters were received from public agencies. Responses to the comments are included in Appendix F of the MND and were sent to these agencies pursuant to Public Resources Code Section 21092.5.

The location of the documents and other materials constituting the record of the proceedings upon which your Board's decision is based in this matter are filed with the Public Works, Project Management Division I, 900 South Fremont Avenue, 5th Floor, Alhambra, California 91803. The custodian of such documents and materials is the Assistant Deputy Director for the Project Management Division I.

The Urgent Care Expansion Project is not exempt from payment of a fee to the California Department of Fish and Game pursuant to Section 711.4 of the Fish and Game Code to defray the costs of fish and wildlife protection and management incurred by the California Department of Fish and Game. Upon your Board's adoption of the MND, Public Works will file a Notice of Determination in accordance with Section

21152(a) of the California Public Resources Code and pay the required filing and processing fees with the Registrar-Recorder/County Clerk in the amount of \$2,119.

CONTRACTING PROCESS

On June 17, 2008, your Board adopted the County policy for design-build project delivery. The RFP and evaluation process were conducted in accordance with the adopted policy.

On December 30, 2010, completed prequalification questionnaires were received from three design-build entities (1) KPRS-c/a Architects, (2) Abbott, and (3) Perera Construction-Langdon Wilson Architects. All three firms were determined to be prequalified and were requested to submit technical and cost proposals for the Urgent Care Expansion Project.

On July 5, 2011, all three design-build entities submitted a final proposal consisting of a technical submittal and a price proposal. The Evaluation Committee (Committee) scored and ranked each proposal based on the requirements and scoring criteria outlined in the RFP. The Committee ranked the proposals based on scoring in seven criteria categories, five of which are specified in the enabling legislation: technical design and construction expertise, life cycle cost analysis, skilled labor force availability, safety record, price, design-build team personnel and organization, and delivery plan. The three proposals were ranked in order from the highest averaged score to the lowest averaged score.

Abbott received the highest averaged score of 858 and was determined to be the apparent best value proposer by the Committee in accordance with provisions of the RFP. A summary reflecting the Committee's scoring of the proposals is included in Attachment B.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

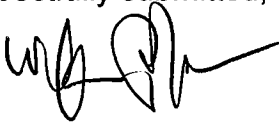
There will be no significant impact on current County services or projects during the performance of these recommended actions, and the facility will remain fully operational during the construction process. Public Works has coordinated with the Department of Health Services to phase the construction in order to minimize any inconvenience to patients and staff.

The Honorable Board of Supervisors
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CONCLUSION

Please return an adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division; the Department of Public Works, Project Management Division I; and the Department of Health Services.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a stylized flourish at the end.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
SW:TH:zu

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Art Commission
Health Services
PublicWorks

ATTACHMENT A

**DEPARTMENT OF PUBLIC WORKS:
HUBERT H. HUMPHREY URGENT CARE EXPANSION PROJECT
ADOPT MITIGATED NEGATIVE DECLARATION
AWARD DESIGN-BUILD CONSTRUCTION CONTRACT
APPROVE LOCAL WORKER HIRING PROGRAM
SPECS. 7074; CAPITAL PROJECT NO. 87092**

I. PROJECT SCHEDULE

Project Activity	Board-Approved Completion Date	Revised Completion Date
Project Scoping Documents	01/31/11*	
Chiller Replacement (JOC)	05/01/11	07/29/11*
Award Design-Build Contract	08/02/11	12/15/11
Design	12/30/11	05/30/12
Jurisdictional Approval (Incremental)	05/15/12	01/15/13
Construction Substantial Completion	12/16/13	02/17/14
Acceptance of Project	04/15/14	06/16/14

* Actual completion date.

II. PROJECT BUDGET SUMMARY

Budget Category	Board-Approved Budget 09/07/10	Impact of this Action	Revised Project Budget
Land Acquisition	\$ 0	\$ 0	\$ 0
Construction			
Design-Build Contract	\$3,890,000	\$ 81,779	\$ 3,971,779
Job Order Contract	560,000	552,384	1,112,384
Change Orders Contingency	723,700	(96,163)	627,537
Proposers Stipends	0	0	0
Builders Risk Insurance	0	0	0
Telecomm Equipment - Affixed to Building	210,000	(210,000)	0
Civic Arts	56,300	0	56,300
Subtotal	\$5,440,000	\$ 328,000	\$5,768,000
Programming/Development	\$ 15,000	\$ (15,000)	\$ 0
Plans and Specifications			
Architect/Engineer Fee	\$ 375,000	\$ 0	\$ 375,000
Design Contingency	85,000	15,000	100,000
Subtotal	\$ 460,000	\$ 15,000	\$ 475,000
Consultant Services			
Site Planning	\$ 0	\$ 0	\$ 0
Hazardous Materials	20,000	0	20,000
Geotech/Soils Report and Soils Testing	0	74,450	74,450
Material Testing	100,000	(45,000)	55,000
Consultant Peer Review Services	0	0	0
Inspection Services	0	0	0
Topographic Surveys	0	24,000	24,000
Construction Management	0	0	0
Document and Project Controls	0	0	0
Labor/Outreach/LWHP	0	35,000	35,000
Environmental	0	92,050	92,050
Move Management (Move Manager Only)	150,000	(150,000)	0
Equipment Planning	70,000	(70,000)	0
Consultant Contingency	0	0	0
Subtotal	\$ 340,000	\$ (39,500)	\$ 300,500
Miscellaneous Expenditures	\$ 25,000	\$ (15,000)	\$ 10,000
Jurisdictional Review/Plan Check/Permit	\$ 20,000	\$ (20,000)	\$ 0
County Services			
Code Compliance Inspection	\$ 70,000	\$ (70,000)	\$ 0
Quality Control & Code Compliance Inspection	420,000	0	420,000
Design Review	0	0	0
Design Services	0	10,500	10,500
Contract Administration	50,000	10,000	60,000
Project Management	616,000	0	616,000
Project Management Support Services	70,000	(70,000)	0
ISD Equipment Procurement	0	0	0
DPW Job Order Contract Management	0	0	0
ID ITS Communications	80,000	0	80,000
Project Technical Support	100,000	(24,000)	76,000
Office of Affirmative Action	15,000	5,000	20,000
County Counsel	35,000	(35,000)	0
Other – Contract Management - LWHP	0	0	0
Other	80,000	(80,000)	0
Subtotal	\$1,536,000	\$ (253,500)	\$1,282,500
TOTAL	\$7,836,000	\$ 0	\$7,836,000

November 29, 2011

ATTACHMENT B

**DEPARTMENT OF PUBLIC WORKS:
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SPECS. 7074; CAPITAL PROJECT NO. 87092**

PROPOSAL SUMMARY

Proposer	Best Value Average Score (Max. Score = 1,000)	Base Price Proposal
Abbott	858	\$5,046,204
Perera Construction and Design, Inc.,	715	\$5,626,059
KPRS	698	\$4,530,672

November 29, 2011

ATTACHMENT C

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**MITIGATED NEGATIVE DECLARATION
(See Attachment)**

November 29, 2011

ATTACHMENT D

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LOCAL WORK HIRING PROGRAM
(See Attachment)